## BEFORE THE DEPARTMENT OF TRANSPORTATION WASHINGTON, D.C.

Application of	)	
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UNITED AIR LINES, INC.	) Docket OST-	05-
for an exemption pursuant to 49 U.S.C. § 40109 (Denver-Cozumel)	) ) ) )	

## APPLICATION OF UNITED AIR LINES, INC. FOR AN EXEMPTION

Communications with respect to this document should be sent to:

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**DATED:** May 3, 2005

*NOTICE:* Answers to this Application are due on May 18, 2005.

## BEFORE THE DEPARTMENT OF TRANSPORTATION WASHINGTON, D.C.

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§ 40109 (Denver-Cozumel)	)	
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**DATED:** May 3, 2005

#### APPLICATION OF UNITED AIR LINES, INC. FOR AN EXEMPTION

United Air Lines, Inc. ("United"), pursuant to 49 U.S.C. § 40109 and Subpart C of the Department's Rules of Practice (14 C.F.R. Part 302), hereby applies for an exemption from 49 U.S.C. § 41101 authorizing it to provide scheduled combination service in foreign air transportation of persons, property and mail between Denver, Colorado and Cozumel, Mexico. United proposes initially to operate weekly service beginning on or about October 31, 2005. United asks that the requested authority be effective immediately and remain in effect for two years.

In support of this application, United submits the following:

- 1. United is a Delaware corporation with its principal place of business at 1200 East Algonquin Road, Elk Grove Township, Illinois 60007. United is a wholly owned subsidiary of UAL Corporation ("UAL"). Both United and UAL are citizens of the United States of America within the meaning of 49 U.S.C. § 40102.
- 2. United seeks an exemption authorizing it to provide scheduled foreign air transportation of persons, property and mail between Denver, Colorado and Cozumel,

Mexico. United plans initially to operate weekly service from Denver International Airport starting on or about October 31, 2005. The service will operated on a year-round basis except for September-October. From its Denver hub, United serves 98 nonstop destinations, offering connection opportunities to points throughout its system.

- 3. The U.S.-Mexico bilateral agreement permits the designation of two U.S. carriers to serve the Denver-Cozumel city pair. *See* U.S.-Mexico Air Transport Services Agreement, Annex I.B.4. Currently, no U.S. carrier is designated to provide nonstop service between Denver and Cozumel. Frontier Airlines, Inc. has applied for one of the two available designations. <sup>1/</sup> Issuance of the requested exemption to United will serve the public interest as it will stimulate passenger travel and expand the service options available to consumers.
- 4. United holds various certificates of public convenience and necessity and exemptions authorizing it to engage in scheduled foreign air transportation of persons, property and mail. United is fit, willing, and able to properly perform scheduled combination services in foreign air transportation, including the U.S.-Mexico service at issue. *See* Order 2000-5-31 (Docket OST-99-5846); Notices of Action Taken, August 25, 2004, June 1, 2004, April 20, 2004, and October 9, 2003 (Dockets OST-04-18692, 04-17676, 04-17685, 04-17490 and 03-16210). United requests that the Department take

<sup>&</sup>lt;sup>1</sup> See Application of Frontier Airlines, Inc. for an Exemption filed April 18, 2005, in Docket OST-05-21033, seeking, *inter alia*, exemption authority to operate scheduled services between Denver and Cozumel. United has today filed an answer to Frontier's application. United does not object to Frontier's application so long as United's application is granted.

Application of United Page 3

official notice, pursuant to Rule 24 of its Rules of Practice, of all data previously filed to

establish United's fitness.

5. United plans to operate its proposed services with A320 equipment with

12 First Class and 126 Economy Class seats. United anticipates no difficulty in obtaining

fuel for these services.

6. United asks that the requested exemption remain in effect for a period of

two years subject to the usual conditions.

WHEREFORE, on the basis of the foregoing, United Air Lines, Inc. requests that

the Department grant it the exemption authority described above and such other and

further relief as the Department deems to be consistent with the public interest.

Respectfully submitted,

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UNITED AIR LINES, INC.

DATED: M

May 3, 2005

# **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served a copy of the foregoing Application of United Air Lines, Inc. for an Exemption on all persons named on the attached Service List by causing a copy to be sent via email or first-class mail, postage prepaid.

Kathleen A. Knowlton

**DATED:** May 3, 2005

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